

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BOND NO.

Serial Number

STATEWIDE OR NATIONWIDE MINERAL LEASE BOND
(EXCEPT OIL AND GAS)

KNOW ALL MEN BY THESE PRESENTS, That we, White River Shale Oil Corporation, as redrepresentative of Phillips Petroleum Company and Sunoco Energy Development Company, lessees of Federal Oil Shale Lease U-25918, and Sohio Shale Oil Company, lessee of Federal Oil Shale Lease U-26194, and pursuant to Section 9(b) of the said Leases, of the county of Salt Lake, in the State of Utah

as principal, and INSURANCE COMPANY OF NORTH AMERICA, of the county of Philadelphia

in the State of Pennsylvania, as surety, are held and firmly bound unto the United States

of America in the sum of One million and 00/100 dollars

(\$ 1,000,000.00) lawful money of the United States, for which payment, well and truly to be made. we, by these presents, bind ourselves, and each of us, and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, upon the following conditions, viz;

If the amount of this bond is \$75,000, or if it is raised by an attached rider to that amount, coverage shall extend to

all the principal's holdings involving deposits in the United States, including Alaska, under the Act or Acts cited in Schedule A.

If the amount of this bond is \$25,000, its coverage extends only to the principal's holdings involving deposits in the State named in Schedule A. Furthermore, such coverage is confined to the holdings under the Public Domain Leasing Act of February 25, 1920 (41 Stat. 437) as amended.

SCHEDULE A

Public Domain Leasing Act of February 25, 1920 (41 Stat. 437) as amended and supplemented (30 U.S.C. 181-287)		Acquired Lands Leasing Act of August 7, 1947 (61 Stat. 913, 30 U.S.C. 351-359)	
NAME OF STATE	LEASE NUMBER	NAME OF STATE	LEASE NUMBER
Utah (Tract Ua)	U 25918		
Utah (Tract Ub)	U 26194		

The conditions of the foregoing obligations are such that, whereas the said principal, in one or more of the following ways, has an interest in mineral leases issued under the Act or Acts cited in Schedule A of this bond:

1. as the lessee of such leases;
2. as the approved holder of operating rights in all or part of the lands covered by such leases under operating agreements with the lessees; and
3. as designated operator or agent under such leases pending approval of an assignment or operating agreement; and

WHEREAS the principal is authorized to drill for, mine, extract, remove, and dispose of mineral deposits in or under the lands covered by the leases, operating

agreements or designations, and is obligated to comply with certain covenants and agreements set forth in such instruments; and

WHEREAS the principal agrees that the coverage of this bond, in addition to the present holdings of the principal shall extend to and include:

1. Any mineral lease hereafter issued to, or acquired by, the principal affecting mineral deposits in the State or States now named in Schedule A, or later named in a rider, the coverage to be confined in the principal's holdings under the Act or Acts cited at the head of the column in which the name(s) of the State or States appears and to become effective immediately upon such issuance or upon departmental approval of a transfer in favor of the principal.

2. Any operating agreement hereafter entered into or acquired by the principal, attaching mineral deposits in the States now named in Schedule A, or later named in a rider, relating to mineral leases issued under the Act or Acts cited in Schedule A at the head of the column in which the name of the State is placed. The coverage shall become effective immediately upon departmental approval of the agreement or of a transfer of an operating agreement to the principal.

3. Any designation subsequent hereto of the principal as operator or agent of a lessee under a lease issued pursuant to an Act or Acts cited in Schedule A and covering lands in a State named in Schedule A, either presently or by rider. This coverage shall become effective immediately upon the filing of such a designation under a lease.

4. Any extension of a lease covered by this bond, such coverage to continue without any interruption due to the expiration of the term set forth in the lease.

WHEREAS the principal hereby agrees that notwithstanding the termination of any lease or leases, operating agreements or designations as operator or agent, covered by this bond, whether the termination is by operation of law or otherwise, the bond shall remain in full force and effect as to any remaining leases, operating agreements, or designations covered by the bond, and

WHEREAS the principal as to any lease or part of a lease for lands as to which he has been designated as operator or agent, or approved as operator, in consideration of being permitted to furnish this bond in lieu of

the lessees, agrees and by these presents does hereby bind himself to will, on behalf of each lessee, all the obligations of each such lease for the entire leasehold in the same manner and to the same extent as though he were the lessee, and

WHEREAS the principal agrees that notwithstanding any use of the security pledged herewith for the purpose for which it is pledged, the bond shall remain in full force and effect in the sum above set forth and that he will, whenever so required by the lessor, deposit additional security to bring the security up to the full amount; and

WHEREAS the principal agrees that the neglect or forbearance of said lessor in enforcing, as against the lessees of such lessor, the payment of rentals or royalties or the performance of any other covenant, condition, or agreement of the leases, shall not, in any way, release the principal from any liability under this bond, and

WHEREAS the principal agrees that in the event of any default under the leases, the lessor may commence and prosecute any claim, suit, action, or other proceeding against the principal without the necessity of joining the lessees.

NOW, THEREFORE, If said principal shall in all respects faithfully comply with all of the provisions of the leases referred to hereinbefore, then the above obligations are to be void; otherwise to remain in full force and effect

Signed on this first day of March, 19 82, in the presence of:

R.H.M.

WHITE RIVER SHALE OIL CORPORATION

By: *Robert H. Noel*

(Signature of Principal)

WHITE RIVER SHALE OIL CORP.
Suite 500
115 South Main Street
Salt Lake City, Utah 84111

(Address of Principal, include zip code)

[SEAL]

INSURANCE COMPANY OF NORTH AMERICA

By: *Nina Pizzurro*

(Signature of Surety)

Nina Pizzurro, Attorney-in-Fact

127 John Street, New York, New York 10038

(Business Address of Surety, include zip code)

If this bond is executed by a corporation, it must bear the seal of such corporation.

GPO 850-711

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA, PA.

Know all men by these presents: That INSURANCE COMPANY OF NORTH AMERICA, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Philadelphia, Pennsylvania, pursuant to the following Resolution adopted by the Board of Directors of the said Company on May 28, 1975, to wit:

"RESOLVED, pursuant to Articles 3.6 and 5.1 of the By-Laws, the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

1) That the President, or any Vice-President, Assistant Vice-President, Resident Vice-President or Attorney-in-fact, may execute for and in behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Secretary, an Assistant Secretary or a Resident Assistant Secretary and the seal of the Company affixed thereto; and that the President or any Vice-President may appoint and authorize Resident Vice-Presidents, Resident Assistant Secretaries and Attorney-in-fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.

2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested by the Secretary.

3) The signature of the President or a Vice-President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution; and the signature of a certifying officer and the seal of the Company may be affixed by facsimile to any certificate of an such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.

4) Such President, Officers and Attorney-in-fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any of the records of the Company necessary to the discharge of their duties.

5) The passage of this Resolution does not revoke any earlier authority granted by Resolution of the Board of Directors on June 9, 1953.

Do hereby nominate, constitute and appoint **NINA FIEDURRO, JAMES M. YANCHER, KENNETH J. WALISH, and ELIZABETH M. PASIC**, all of the City of Cleveland, State of Ohio

each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof. And the execution of such writings in pursuance of these presents, shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said **MICHAEL B. FODOR**, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **INSURANCE COMPANY OF NORTH AMERICA** this 28th day of April 1981.

INSURANCE COMPANY OF NORTH AMERICA

(SEAL)

Michael B. Fodor
MICHAEL B. FODOR, Vice-President

STATE OF ILLINOIS
COUNTY OF COOK

ss.

On this 28th day of April, A. D. 1981, before me, a Notary Public of the STATE OF ILLINOIS in and for the County of COOK came MICHAEL B. FODOR, Vice-President of the **INSURANCE COMPANY OF NORTH AMERICA** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same; that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of **CHICAGO** the day and year first above written.

(SEAL)

My commission expires 2/6/85

PHYLLIS DUBAK

Notary Public.

I, the undersigned, ~~XXXXX~~ Secretary of **INSURANCE COMPANY OF NORTH AMERICA**, do hereby certify that the foregoing **POWER OF ATTORNEY**, of which the foregoing is a full, true and correct copy, is in full force and effect. In witness whereof, I have hereunto subscribed my name as ~~XXXXX~~ Secretary, and affixed the corporate seal of the Corporation, this First day of March 1982.

(SEAL)

JAMES S. WYLIFE

XXXXX Secretary